



CTIA

Building The Wireless Future™
Cellular Telecommunications & Internet Association

October 22, 2002

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
12th Street Lobby, TW-A325
Washington, DC 20554

Re: Ex Parte Presentation
Docket No. 96-45; Docket No. 98-171; Docket No. 90-571;
Docket No. 92-237; CC Docket No. 95-116; Docket No. 98-170;
NSD File No. L-00-72

Dear Ms. Dortch:

On October 22, 2002, the Cellular Telecommunications & Internet Association ("CTIA") represented by Michael Altschul, Senior Vice President for Policy and Administration and General Counsel, Diane Cornell, Vice President for Regulatory Policy, along with Glenn Rabin, Vice President for Federal Communications, ALLTEL, Mark Rubin, Director of Federal Government Relations, Western Wireless Corporation, Roger Sherman, Senior Attorney, Sprint PCS, Peter Connolly, representing US Cellular, Doug Brandon, Vice President External Affairs and Law, AT&T Wireless Services, Inc., Anne Hoskins, Regulatory Counsel, Verizon Wireless, and Kathy Zachem, representing Verizon Wireless, met with Commissioner Abernathy, and Matthew Brill, Acting Senior Legal Advisor for Commissioner Abernathy. CTIA reiterated its position that the existing revenue-based Universal Service Fund ("USF") assessment system should be retained as the most fair and equitable manner of collecting USF funds. The meeting began with the presentation of an interstate traffic study containing information from six wireless service providers. As detailed in the attached study, the percentage of interstate traffic carried by the six wireless service providers ranged from 10 percent to 28.5 percent.

Based on these studies, CTIA acknowledged that it would be appropriate to reexamine the wireless safe-harbor proxy. CTIA also noted that a revenue-based system, unlike a connection-based fee, would comport with Section 254(d) of the 1996 Act. Furthermore, preservation of the revenue-based USF collection system would also prevent disproportionate harm to no-use, low-use and low-income wireless service users. In particular, the parties discussed the material in the attached presentation.

Pursuant to Section 1.1206 of the Commission's Rules, this letter is being filed with your office. If you have any questions concerning this submission, please contact the undersigned.

Sincerely,

Michael F. Altschul

Michael F. Altschul

Cc: Commissioner Kathleen Q. Abernathy
Matthew Brill

